

**SPECIAL MEETING of the Town Council to be held Saturday, March 18, 2006 at 10:00 A.M. in the Council Chamber, Town Building, Harrisville for and within the Town of Burrillville.**

**MEMBERS PRESENT: Council President Wallace F. Lees, Councilors Jacqueline Zahn, Nancy F. Binns, Margaret L. Dudley and Ronald E. Faford.**

**MEMBERS ABSENT: Councilor William A. Andrews was excused**

**OTHERS PRESENT: Donna T. Caccia and Mark V. Caccia of Cayer Caccia LLP; Arthur R. Hurley and Thomas Sylvester, Budget Board; Dorothy A. Cardon, School Committee; Town Solicitor Walter J. Kane, Town Manager Michael C. Wood, Finance Director John P. Mainville, Treasurer Mark A. Adams, Deputy Treasurer Rose Fundakowski.**

**1. Discussions and considerations relative to the Comprehensive Annual Financial Report, FYE June 30, 2005.**

**A) Presentation by Cayer Caccia LLP**

**Donna T. Caccia of Cayer Caccia LLP, distributed an agenda for the meeting, noted that the auditors had met with the audit committee, and reviewed elements of the 2005 Audit with the Town Council.**

**Ms. Caccia reviewed the "Communication of Matters Prescribed by**

**Statement on Auditing Standards #61 and #89”, which is on file with the record of the meeting. Ms. Caccia briefly reviewed the responsibilities of the auditing firm.**

**Donna T. Caccia of Cayer Caccia LLP, referenced a copy of the Comprehensive Annual Financial Report – Fiscal Year Ended June 30, 2005, a copy of which is on file with the record of the meeting. Ms. Caccia stated the auditor’s opinion(s) that the financial statements are fairly presented. Ms. Caccia discussed the introductory report prepared by the Finance Director.**

**Ms. Caccia referenced the Financial Section, for which Cayer Caccia LLP is responsible. She noted that, for the third year, the Town of Burrillville has presented its financial statements under the new reporting model required by GASB 34, which she described. Ms. Caccia indicated that the narrative set forth on pages three through twenty provides an overview of the Town’s financial activity.**

**Donna T. Caccia of Cayer Caccia LLP reviewed the basic financial statements in the GASB 34 format, noting that details of each report are presented in the Statistical Section at the end of the report.**

**The Statement of Revenues, Expenses and Changes in Net Assets – Proprietary Funds was reviewed. It was noted that the Sewer Commission appears to have a decrease in net assets due to depreciation. There was discussion that the debt service for the**

**Sewer Authority is funded by general taxpayers. There was a discussion of the difference between major and non-major enterprise funds.**

**Notes to the financial statements (pages 32-59) were referenced. Mark V. Caccia of Cayer Caccia LLP pointed out that page 49 listed Bonds and Notes Outstanding and noted that the only new debt during FY2005 was the draw-down by the Sewer Commission.**

**Donna T. Caccia of Cayer Caccia LLP noted that the details of revenues and expenditures were shown beginning on page 63. Ms. Caccia explained the changes in the fund balance on a budgetary basis and described the difference between GAAP basis and budgetary basis and indicated that there was a favorable variance in revenues of approximately \$500,000 and a favorable variance in expenditures of \$1,400,000.**

**Mark V. Caccia of Cayer Caccia LLP indicated that overall the Town did well in FY2005, with a surplus for the year on both the GAAP and budgetary basis. Donna T. Caccia indicated that the School Department said that, on a budgetary basis, the school department had more revenues than expenses of approximately \$85,000.**

**There was a review of the special revenue funds, which are described in the report and detailed on a combined balance sheet beginning on page 69. There was a review and discussion of the unfunded liability**

related to vacation and sick leave benefits.

**Mark V. Caccia of Cayer Caccia LLP reviewed the Management Letter.**

**Mr. Caccia noted for the second year there are no reportable conditions. The letter, he said, lists general comments and suggestions of areas where changes could be made. Mr. Caccia reviewed improvements to the computerized system and recommended that automation continue. There was discussion of the prudence of maintaining the unreserved, undesignated fund balance.**

#### **B) Comments/Input from Town Council**

**Councilor Jacqueline Zahn questioned whether the Town was considering accepting credit/debit cards and/or on-line payment for taxes. There was discussion that the practice was being reviewed for possible implementation. There was also discussion of whether there are benefits to the Town of providing an incentive for prepayment of taxes.**

#### **C) Comments/Input from Administration**

**Michael C. Wood, Town Manager, commented on the practice of reviewing different side funds each year, indicating that the June Rockwell Levy Rink was examined. Mr. Caccia discussed the rink practices that had been examined and noted that recommendations were made, such as replacing the cash registers. Sound business**

**practices were discussed.**

**2. VOTED to accept the FYE June 30, 2005 Audit.**

**Motion by Councilor Jacqueline Zahn. Seconded by Councilor Nancy F. Binns. The motion was unanimous by the five members present. Voting in favor of the motion were Council President Wallace F. Lees, Councilors Jacqueline Zahn, Nancy F. Binns, Margaret L. Dudley and Ronald E. Faford. Councilor William A. Andrews was excused.**

**3. VOTED to open consideration and action on possible requests for proposals for insurance coverage, (workers' compensation, general liability, etc.)**

**Motion by Councilor Jacqueline Zahn. Seconded by Councilor Ronald E. Faford. The motion was unanimous by the five members present. Voting in favor of the motion were Council President Wallace F. Lees, Councilors Jacqueline Zahn, Nancy F. Binns, Margaret L. Dudley and Ronald E. Faford. Councilor William A. Andrews was excused.**

**Discussion: Michael C. Wood, Town Manager, discussed the Town's history with The Trust and recent increases in prices. Mr. Wood requested the Town Council's direction on whether the administration should investigate alternatives. John P. Mainville, Finance Director, discussed the make-up of The Trust's board, the background of the**

**establishment of The Trust, the cost savings associated with membership, the Town's experience with The Trust, and other Towns' experience in leaving and then returning to The Trust. The process and possible results of going out to bid were discussed, as were the benefits and shortcomings of membership in The Trust.**

**VOTED to go out to bid.**

**Motion by Councilor Jacqueline Zahn. Seconded by Councilor Ronald E. Faford. The motion carried, three in favor, one opposed, one abstention and one excused. Voting in favor of the motion were Council President Wallace F. Lees, Councilors Jacqueline Zahn and Ronald E. Faford. Councilor Margaret L. Dudley voted in opposition. Councilor Nancy F. Binns abstained. Councilor William A. Andrews was excused.**

**Note: Michael C. Wood, Town Manager, requested a brief recess to allow the solicitor to consider the requirements of the vote relative to the transfer of reserve funds. There was a recess at 11:20 A.M. The Council returned at 11:44 A.M.**

**Further Discussion:**

**4. VOTED to open discussion that reserve funds, as listed, be increased via a transfer from the balance remaining from the prior**

**year's appropriations.**

**Motion by Councilor Jacqueline Zahn. Seconded by Councilor Ronald E. Faford. The motion was unanimous by the five members present. Voting in favor of the motion were Council President Wallace F. Lees, Councilors Jacqueline Zahn, Nancy F. Binns, Margaret L. Dudley and Ronald E. Faford. Councilor William A. Andrews was excused.**

**Discussion: Michael C. Wood, Town Manager, noted that the vote relative to reserve funds would require a vote of six members of the Town Council. There was a recommendation to table the item to a future agenda.**

**VOTED to table at the call of the President.**

**Motion by Councilor Jacqueline Zahn. Seconded by Councilor Margaret L. Dudley. The motion was unanimous by the five members present. Voting in favor of the motion were Council President Wallace F. Lees, Councilors Jacqueline Zahn, Nancy F. Binns, Margaret L. Dudley and Ronald E. Faford. Councilor William A. Andrews was excused.**

**5. VOTED to adjourn at 11:45 A.M.**

**Motion by Councilor Jacqueline Zahn. Seconded by Councilor**

**Margaret L. Dudley. The motion was unanimous by the five members present. Voting in favor of the motion were Council President Wallace F. Lees, Councilors Jacqueline Zahn, Nancy F. Binns, Margaret L. Dudley and Ronald E. Faford. Councilor William A. Andrews was excused.**

**Louise R. Phaneuf, Town Clerk**